# UNCTAD BULLETIN

MAY - JUNE 1995 NUMBER 32

***IN THIS ISSUE***


- Editorial
- How did East Asia grow so fast?
  Slow Progress towards an Analytical Consensus
- UNCTAD's activities in accounting
- Notes on meetings:
  Non-Aligned call for strengthening UNCTAD; Commission on International Investment & Transnational Corporations; World Association of Investment Promotion Agencies; Tenth Executive Session of the Trade & Development Board considers new and emerging issues on the international trade agenda; Commission on Science & Technology for Development; Meeting of donors, financial and technical assistance institutions with least developed countries; Committee on Developing Services Sectors - Shipping; Working Group on Trade, Environment and Development; Committee on Poverty Alleviation; Global Symposium for Land-locked and Transit Developing Countries; Standing Committee on Economic Cooperation among Developing Countries; "Trainfortrade" meeting.
- Recent UNCTAD publications:
  Trade and Labour Standards; Trade and Environment; Do Environmental Imperatives Present Novel Problems and Opportunities for the International Transfer of Technology? Three case studies on the role of South-South cooperation; Foreign Direct Investment in Africa; other titles.


UNITED NATIONS CONFERENCE
ON TRADE AND DEVELOPMENT

# EDITORIAL

## From Bandung to Bandung

The Non-Aligned Movement (NAM), at its ministerial meeting held in Bandung (Indonesia) from 25 to 27 April 1995, reaffirmed its "strong commitment to *strengthen* the United Nations Conference on Trade and Development (UNCTAD), including the need to provide it with *adequate resources*". As the Ministers emphasized: "recent development and institutional changes in the world, including the creation of the World Trade Organization, have *reinforced* the need for UNCTAD as a *policy-oriented* trade forum with a strong development perspective" (our italics; also see page 9 in this issue of the *Bulletin*). Recognizing the important role of UNCTAD in the continuous effort to design international policies to satisfy the critical needs of developing countries, the NAM further called upon the Bretton Woods institutions to adjust their policies and programmes accordingly, in cooperation not only with one another but especially with UNCTAD.

The NAM communiqué stresses that UNCTAD should be strengthened not only because its work is focused on the development of developing countries, but also because it provides a *different* and relevant policy framework for analysing the problems of developing countries and providing advice.

The call for strengthening UNCTAD was made within the framework of NAM's reiteration of the Movement's basic principles and objectives, officially formulated in 1961, the year that NAM was founded. These aims and principles were in fact influenced by ideas and orientations advanced at the Bandung Conference of 24 April 1955 organized by the Afro-Asian countries. The ten principles embodied in the final communiqué of the 1955 Conference highlighted such issues as socio-economic progress, freedom, peace and security, international cooperation, justice, equity and, last but not least, self-determination.

In pursuing international cooperation for peace and development, the participating countries emphasized *self-determination*. When the world was divided between *two* ideological blocs, that is, the West (the first world) and the Soviet Union (the second world), these countries did not wish to be *aligned* with either bloc. This stand is what gave rise to the expression "third world". Many Asian and African countries participating in the 1955 Conference had characteristics in common with other third-world countries whose structure and socio-economic problems differed from those of the other two worlds, and especially the developed countries. Although most of the developed countries had suffered from World War II - like many third-world countries - a number of the former had come through, economically speaking, relatively strong, and were relatively prosperous, industrialized, independent and in a position of dominance in international relations. In contrast, the developing countries - the "third world" - were poor and often dominated. Many were still dependent on earlier colonial powers and on production of primary commodities. For the developed countries, the main economic problem was the lack of effective demand; however, in the third world the burning issue was the lack of supply capacity, rigidity in the structure of output and exports and inadequate infrastructure. The main socio-economic problem of developed countries was unemployment; for the developing countries the critical preoccupation was illiteracy, disease and mass poverty. While certain developed countries suffered from market failure, many developing countries were hampered by the lack of market and the essential supporting institutions.

Many distinguished economists of the time - both within and outside the United Nations (notably Myrdal, Prebisch, Kaldor and Singer) - believed that the basic assumptions of theories designed for developed countries were not applicable to the third world, and hence policy advice based on such theories was not valid.

Between the two Bandung Conferences there has been a sea change in world affairs. Apart from the termination of the cold war, many third-world countries have achieved a marked degree of independence, industrialization, development, eradication of poverty, export expansion, higher literacy rates, better health, etc. It seems that it is for these reasons that some scholars are tempted to think that there is no longer need for different economic theories or a different policy for the struggling third world.

While it is true that the socio-economic structure of a limited number of third-world countries that have achieved miracles of development is now closer to that of developed countries than at any time before in recorded history, it is equally true that in order to make these "miracles" happen these countries had to apply different policies than those enunciated by the conventional wisdom. Many third-world countries still suffer from the same problems as before, if not similar

*(continued on page 8)*

# HOW DID EAST ASIA GROW SO FAST?
## Slow Progress towards an Analytical Consensus

*Ajit Singh*[2]

A crucial analytical and policy question in economic development today centres around how East Asia grew so fast. East Asian, including Japanese, growth is not in dispute. It is no exaggeration to say that the post-World War II development of East Asia is the greatest success story of sustained economic growth in the history of humankind. Only the causes of this "miracle" are controversial. This has led to a vigorous analytical and policy debate between World Bank economists and their academic critics, not all of whom are heterodox. The debate is important for both international and practical reasons. First, from an analytical point of view, the debate is important precisely because it is interesting to ascertain the causes of the fast growth of these economies over a sustained period. Secondly, and more significant in practice, the World Bank professes to base its policy recommendations for countries around the globe on what it regards as the lessons to be drawn from the experience of these countries. Thus, the resolution of the debate would inevitably have a bearing on general ideas about growth and development.

The purpose of this short summary is to review the progress of this debate and carry it further. Taking into account previous contributions to the debate, the paper focuses on the following issues: (a) How effective was industrial policy in the examples of the East Asian countries? (b) How open were the East Asian economies during their periods of fast growth? (c) What was the nature and degree of competition in these economies in the product and capital markets? (d) What was the role of savings and investment in East Asian growth? (e) Why did these countries not have a debt crisis, while Latin American countries did? (f) What was the relationship between technology industrial policy and international competitiveness? and, finally, (g) What was the relationship between the "fundamentals", macroeconomic stability and industrial policy?

---

1 This summary is based on *Discussion Paper No. 97*, published by UNCTAD under the same title. Interested readers may obtain copies, free of charge from the Editorial Assistant, Policy Coordination and External Relations Service, UNCTAD, Palais des Nations, 1211 Geneva 12, Switzerland.

2 Faculty of Economics, University of Cambridge, United Kingdom.

### Industrial policy

Since the paper covers a wide range of issues, in order to illustrate the nature of these arguments, this summary focuses on only two or three elements that particularly delineate the opposing views in the debate. First, there is the controversy over industrial policy. It is suggested that this debate has made visible progress, since the World Bank now acknowledges that Governments in such countries as Japan and the Republic of Korea had intervened vigorously in their economies. They did not just simply follow a night-watchman, "market friendly" approach, as the Bank economists were previously prone to argue. The World Bank's new thesis, as explained in its recent influential publication on the subject, *The East Asian Miracle*, argues that, although these countries did follow an industrial policy, it was largely ineffective. The author does not agree with this doctrine, which rests on two propositions. First, World Bank economists assert that the industrial structure which has emerged in Japan and the Republic of Korea is not very different from what it would have been had these countries not had an industrial policy, i.e. the observed structure has been market-conforming and accords with the changing relative factor intensities and prices. Secondly, the World Bank contends that the factor productivity growth of the targeted favoured sectors was no different from that of unfavoured sectors.

The author points out that the World Bank economists have a self-serving, extremely narrow definition of "industrial policy". Nevertheless, even in their own terms, these propositions are flawed. With regard to the first proposition, even if one takes the neoclassical interpretation that Japanese industrial policy was doing no more than pursuing Japan's dynamic comparative advantage, it was attempting to do so in as short a time as possible. It is essential, therefore, to analyse the crucial issue of the "speed of adjustment". Market forces, left to themselves, might have taken much longer to arrive at the optimal industry structure, and hence generated a much lower rate of economic growth. Issues such as the speed of adjustment are unfortunately not confronted at all by the World Bank economists.

The problem with the second proposition is that it overlooks the effects of industrial policy on a country's

balance of payments and its long-term rate of growth of domestic demand. By limiting their analysis to only the supply side-effects of productivity growth and technical change, World Bank economists suggest that the "spillover" effects of these activities will be confined only to favoured sectors or to their close subsectors. However, it should be noted that, to the extent that industrial policy helps to relieve the balance-of-payments constraint, most sectors - not just the favoured ones - benefit from higher rates of growth of production and hence productivity (by the "Verdoorn's Law" effect).

The World Bank economists also seem blithely unaware of an ironic implication of their analyses. If, despite heavy government intervention, the industrial structures of Japan and the Republic of Korea still conform to these countries' "dynamic comparative advantage", a reasonable inference must be that, on average, their Governments were able to "pick the winners"! Thus, on the basis of this analysis, in the World Bank's own terms, the industrial policies of Japan or the Republic of Korea should be regarded as a success.

**Openness of East Asian economies**

A second vital area of controversy is the question of the degree of openness of East Asian economies. The virtues of openness, international competition and close integration into the world economy are stressed in several World Bank publications. Evidence suggests, however, that these virtues were not in fact practised by either Japan or the Republic of Korea, the two most successful East Asian countries.

As late as 1979, manufactured imports constituted only 2.4 per cent of Japanese GDP; the corresponding proportion in the United Kingdom and other EEC countries was five to six times higher. Even in the United States, which traditionally - because of its continental size - has a low-track GDP rate, the volume of imported manufacturing goods in the late 1970s was proportionally almost twice as large as in Japan. Clearly, during the 1960s and 1970s (and even more so in the 1950s), the Japanese economy operated under a regime of draconian import controls, whether practised formally or informally. Thus, despite the strong export orientation of the Japanese economy, it was far from being open or closely integrated into the world economy. The observations concerning Taiwan Province of China and the Republic of Korea, subject to certain modifications, also point in the same general direction.

World Bank economists acknowledge the facts of this protective regime but essentially argue that it generally had a negative influence, which was kept in bounds by the Governments' pursuit of export targets and export contests. However, Bank economists failed to see, first, that generalized protection was one mechanism used by the Governments of Japan and the Republic of Korea to alleviate the balance-of-payments constraint. Secondly, there is little recognition that protection had played a positive role in promoting technical change, productivity growth and eventually exports in these countries. Protection provided Japanese companies with a captive home market leading to high profits, which enabled firms to undertake higher rates of investment, to learn by doing and to improve the quality of their products. In the protected internal market, these profits, which were further enhanced by restrictions on domestic competition, not only allowed higher rates of investment but also greatly aided exports.

Further, an important feature of the industrial policy of the Governments of both Japan and the Republic of Korea was discouragement of foreign direct investment. In the view of World Bank economists, discouragement was a self-imposed handicap which was compensated for by the fact that both countries remained open to foreign technology through licensing and other means (*East Asian Miracle*, p. 21). The Bank economists do not ask why, if the Governments of Japan and the Republic of Korea were as efficient and flexible in their economic policy as they themselves suggest (to account for their long-term overall economic success), how it is that they would have persisted with this apparently wrong-headed approach for so long. An alternative interpretation is that the approach was not so wrong. For various reasons it was "functional" within the context of the overall industrial policies pursued by those countries.

Another quantitative measure of openness used in the *East Asian Miracle*'s econometric analyses is the so-called "dollar index": the degree to which the relative domestic prices in high performing Asian economies (HPAEs) differed from international relative prices. However, it should be noted that, on that measure, both Japan and the Republic of Korea (as well as Taiwan Province of China) were among the least open of the economies. Relative prices in these countries were more distorted than in such countries as Brazil, India, Mexico, Pakistan and Venezuela. Most of the latter countries are often cited by the Bretton Woods institutions as prime examples of countries which do not "get the prices right".

Thus, the experience of Japan and the Republic of Korea comprehensively contradicts the central thesis of many World Bank reports that the more open the economy and the closer its integration into the global economy, the faster its rate of growth. During periods of rapid growth, instead of deep or unconditional integration into the world economy, these countries evidently sought what might be called "strategic" integration, i.e. they integrated as far as it was in their interest to do so in order to promote national economic growth.

In place of World Bank analyses and prescriptions, the author suggests an alternative theoretical perspective for considering the question of openness. "Openness" is a multi-dimensional concept; apart from trade,

*(continued on page 8)*

## UNCTAD'S ACTIVITIES IN ACCOUNTING

With the transfer to Geneva in 1993 of the United Nations Programme on Transnational Corporations, new areas of research and technical assistance capabilities were added to UNCTAD's activities. One of the components of the Programme, now included in UNCTAD's Division on Transnational Corporations and Investment, is a branch which specializes in private sector accounting matters, particularly in the context of foreign direct investment and trade.

### Focus of the work: international standard-setting

The United Nations has been involved in the area of corporate accounting and reporting since 1973. In 1975, the Group of Eminent Persons had noted the serious lack of comparable and transparent financial information on transnational corporations. It recommended that an internationally comparable system of standardized accounting and reporting should be developed. The United Nations Economic and Social Council (ECOSOC) in response created the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, which meets annually in Geneva.

Today, interest in international standard-setting is at an all time high. This is so for several reasons. First, the globalization of capital markets makes it essential to have better financial information: lack of information disclosure and inadequate accounting standards contribute to financial instability. There have been a growing number of financial problems and crises involving, for example, savings and loan institutions, the BCCI and the Barings Bank. Countries are keenly aware of the need for a better regulatory environment.

Secondly, for countries in transition, a crucial step in their economic reform is the development of an accounting system capable of measuring financial performance at the enterprise level. Furthermore, accountancy development is a *sine qua non* for the establishment of a stock market, a normal banking system and for any privatization effort. It is also a cornerstone of foreign direct investment flows. The countries in transition realize that the adaptation of international accounting standards to their national systems can facilitate their integration into the global economy.

Thirdly, developing countries are under continuous pressure to increase their accountancy capability, but they often lack the necessary means to do so. A survey undertaken by UNCTAD in 1993 revealed that in 18 out of 35 African countries studied there were fewer than 50 fully qualified accountants. Many countries also lacked a standard-setting body. While strong technical cooperation programmes have been developed in many other fields in the case of Africa, for example, technical cooperation in the area of accounting remains piecemeal and peripheral.

### Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR)

Over the past five years, ISAR has developed policies which have actively promoted the growth and stability of capital markets. While detailed and complex accounting rules and securities regulations (albeit not always sufficient) exist in OECD countries, developing countries and countries in transition often do not have the technical resources necessary in order to formulate policy in this area and to adopt the necessary financial rules. By participating in ISAR, countries are able to take advantage, at relatively low cost, of the financial policies and guidelines developed in this unique multilateral forum.

The presence of 50 Governments at the recent 1995 session of ISAR attests to the interest in the Group's work. A number of private sector groups and firms have also benefited directly from ISAR's efforts. In addition, the Group has close working relations with other international organizations, such as the European Commission, OECD, Federation des Experts Comptables Europeens (FEE), International Labour Office (ILO), International Federation of Accountants and the World Bank.

### Policy analysis and research

Two examples of useful policy analysis and research which have benefited the global business community concern the Group's work on environmental accounting and privatization.

*Environmental accounting*

Four years ago, the Group began its investigation in the area of "green accounting" or environmental accounting. The Group was concerned over the lack of information disclosure by enterprises operating in sectors with significant environmental impacts. Currently, it is impossible for readers of financial statements to relate an enterprise's environmental performance to its financial performance. In a recent survey of over 200 transnational corporations (TNCs), the Group found that while TNCs were aware of environmental issues, their disclosures remained qualitative, descriptive, partial and difficult to compare. No relation is drawn between the environmental targets set, the amounts spent and the results achieved. The results of this survey are included in *International Accounting and Reporting Issues: 1994 Review*.

The Group decided it was time to give some guidance and so developed a set of recommendations covering what is to be included in reports of the board of directors with respect to environmental policies, programmes, results, expenses, liabilities, provisions and reserves. The recommendations are included in ISAR's *Conclusions on Accounting and Reporting by Transnational Corporations*.

The accounting profession and the business community have found this research and policy guidance had to be among the most useful work ever done. In fact, they had urged the Group to prepare a literature survey and bibliography to assist those who are starting work in this field. The resulting document is entitled, *Environmental Accounting: Current Issues, Abstracts and Bibliography*. The Group has acted as a catalyst to numerous professional institutes taking up the subject. The European Union, for instance, has now included environmental accounting on its agenda.

A study has recently been completed which develops methodology whereby enterprises can "account for sustainable development" long before Governments take the necessary policy decisions to require internalization of environmental costs.

The Group is currently undertaking a project to formulate broad objectives, goals and concepts for environmental accounting standards. At present, there are no international standards for environmental accounting and reporting. The objective of the project is to guide the various research activities so as to ensure that researchers in different countries work towards common goals. Guidelines will also provide government regulators and other appropriate parties with broad concepts in environmental accounting and reporting, assist standard setters to meet the needs of users, and aid users in interpreting and evaluating the information that is provided. In this way, an efficient process is expected to evolve for the formulation of standards that are internally consistent and that will best respond to the users' information requirements.

*Privatization*

The Group is undertaking research in another crucial area - that of privatization. In 1993 it began examining the accounting problems that arose within their privatization programmes and individual transactions - particularly valuation problems. Often Governments give priority to rapid privatization, which makes accurate valuation impossible. The resulting uncertainty inevitably raises questions of social equity. The Group found that it was unwise to rely on one method of valuation; it was better to use a combination of methods to establish a ceiling and a floor value, and thereby give a range of values. Such parameters would be more useful in helping government authorities to set a fair price. The Group has published the experiences of eight countries focusing on recommendations for resolving the most vexing accounting problems. The publication is entitled *Accounting, Valuation and Privatization*.

**Technical cooperation**

Beyond research and policy recommendations, the Group has initiated a number of technical cooperation activities in Africa and among the New Independent States (NIS), supported by international accounting firms and international organizations.

*New Independent States*

Since 1989, the United Nations Secretariat, and subsequently the United Nations Conference on Trade and Development (UNCTAD), has been providing assistance to the former Soviet Union on accounting reform and education. As accounting is the language of business, accounting reform is an integral part of the transition to a market economy. An international task force organized by UNCTAD and the Russian Federation Ministry of Finance completed the basic reform and revised the Chart of Accounts according to international accounting standards. This new chart of accounts is now in force in Belarus, Kazakhstan, Moldova, Russian Federation, Turkmenistan and Uzbekistan.

Reform continues in Russia under the International Advisory Board on Accounting and Auditing, created by the Russian Parliament and the Russian Ministry of Finance with the assistance of UNCTAD. The Board has drafted an accounting and auditing law, and made recommendations for professional education and training. This effort, funded by the European Union, is a good example of a coordinated response by international organizations to specific needs. It serves as a model for reform efforts in other fields, such as foreign direct investment and taxation.

At the same time, UNCTAD is working with the Organization for Economic Cooperation and Development (OECD) to assist eight other States with their accountancy development. A Coordinating Council on Accounting Methodology - a "mini-ISAR" - has been created in which to exchange information and issue recommendations for use by States in setting standards. UNCTAD and OECD are providing technical services to the Council.

In addition, UNCTAD has designed training programmes for three different groups: university students, professors, and practitioners in the public and private sectors. A programme to train professors - or "training the trainers" - was funded by the United Kingdom Know How Fund, and training took place in 1992. An annual programme to train university students was begun in 1990 with funding from the six largest international accountancy firms. UNCTAD has been able to act as the "lead agency" because it has developed an integrated, coherent approach to accounting reform, education and the strengthening of

the accounting profession so as to provide ongoing infrastructure for continuing the reforms achieved.

In 1995, UNCTAD has been executing a UNDP-funded project in the Republic of Uzbekistan to train approximately 100,000 accountants, book-keepers, tax officials and others. The European Union is also contributing to the programme. The country's chart of accounts for enterprises has been revised in conformity with market economy principles, and the Government's new financial reporting requirements will reconcile the results of operations with taxable income.

---

PUBLICATIONS ON ACCOUNTANCY

**International accounting and reporting issues:**

- 1984 *Review* (ST/CTC/52)
- 1985 *Review* (ST/CTC/85)
- 1986 *Review* (ST/CTC/57)
- 1987 *Review* (ST/CTC/67)
- 1988 *Review* (ST/CTC/77)
- 1989 *Review* (ST/CTC/100)
- 1990 *Review* (ST/CTC/107)
- 1991 *Review* (ST/CC/124)
- 1992 *Review* (ST/CTC/147)
- 1993 *Review* (UNCTAD/DTCI/3)
- 1994 *Review* (UNCTAD/ DTCI/12)
- 1995 *Review* (forthcoming)

**General**

- *Objectives and Concepts Underlying Financial Statements* (ST/CTC/97)
- *Conclusions on Accounting and Reporting by Transnational Corporations* (UNCTAD/DTCI/1)

**Environmental accounting**

- *Environmental Accounting: Current Issues, Abstracts and Bibliography* (ST/CTC/SER.B/9)
- *Accounting for Sustainable Forestry Management: A case study* (UNCTAD/DTCI/4)

**Accounting in centrally planned economies**

- *Curricula for Accounting Education for East-West Joint Ventures in Centrally Planned Economies* (ST/CTC/SER.B/6)
- *Joint Venture Accounting in the USSR: Direction for Change* (ST/CTC/SER.B/7).
- *Accounting for East-West Joint Ventures* (ST/CTC/122)

**Other**

- *Accountancy Development in Africa: Challenge of the 1990s* (ST/CTC/109)
- *Accounting Valuation and Privatization* (ST/CTC/157)
- *Proceedings of the 1993 UNCTAD/Arab Society of Certified Accountants Workshop on Accounting Standards*
- *Proceedings of the 1995 UNCTAD Forum on the Responsibilities and Liabilities of Accountants and Auditors* (forthcoming)

## EDITORIAL ...

*(continued from page 3)*

**in magnitude. Moreover, world economic changes have also created new and additional problems for them, requiring new and "dif-ferent" solutions. Recent experience in certain African countries, in Mexico and the derivatives market as well as the emerging issues related to globalization and liberalization of the world economy are only a few examples (see also *Bulletin No. 31*). Moreover, recent experience has shown that each country may need an economic policy that is tailored to its particular needs; there is no universal development theory or development policy with a global reach, although some elements may be common among certain developing countries.**

**UNCTAD's aim remains achieving growth and prosperity, while reducing imbalances and inequities among and within nations. The NAM is therefore justified in calling for the strengthening - not weakening - of UNCTAD and for the enhancement - not reduction - of its resources. Reform processes under way in the economic and social sectors of the UN should take account of the unmet needs, the uncertainties and profound shifts in the world economy and the crucial role of UNCTAD in addressing these issues.**

---

## HOW DID EAST ASIA GROW SO FAST? ...

*(continued from page 5)*

a country can be "open" or less open with respect to financial and capital markets in relation to technology, science, culture, education, and inward and outward migration. Moreover, a country can choose to be open in some directions, say trade, but not so open in others, such as foreign direct investment or financial markets. There is no unique form or degree of openness that is optimal for all countries at all times. A number of factors affect the desirable degree of openness: world configuration, past history of the economy and its state of development, among others. Also critical are the timing and sequence of opening. There may be serious irreversible losses if the wrong kind of openness is attempted, or the timing and sequence are incorrect. The East Asian experience of "strategic" rather than "close" integration into the world economy is fully comprehensible within this kind of theoretical framework.

**Conclusion**

There has been some progress in the debate between the World Bank and its critics concerning the outstanding successful development experience of such East Asian economies as Japan or the Republic of Korea. There is now general agreement that the Governments of these countries intervened heavily in all spheres of the economy in order to achieve rapid economic growth and fast industrialization. There are also common grounds for arguing that during the course of their deve-

*(continued on page 14)*

# NOTES ON MEETINGS

## THE NON-ALIGNED MOVEMENT CALLS FOR STRENGTHENING UNCTAD

The ministerial meeting of the Non-Aligned Movement (NAM) was held in Bandung (Indonesia) from 25 to 27 April. The NAM reaffirmed its "strong commitment to strengthen UNCTAD, including the need to provide it with adequate resources", and stated that it was looking forward to UNCTAD IX, to be held next year, "as a forum for providing important inputs and directions for global development".

The Ministers of the NAM stressed their belief in the important role and relevance of UNCTAD in advancing development. "Recent developments and institutional changes in the world, including the creation of the World Trade Organization, have reinforced the need for UNCTAD as a policy oriented trade forum with a strong development perspective".

The Ministers emphasized the importance of ensuring that the United Nations system play a greater role in the field of development by enabling both UNCTAD and the specialized agencies, including UNIDO to play their full role as essential focal points in that system for, *inter alia*, trade and development and the industrial development of developing countries. They expressed their firm determination to oppose any attempt to weaken or undermine the contributions of these organizations to the development process. In emphasizing that these bodies were designed to serve the development objectives of developing countries, the Ministers called for renewed efforts to strengthen and reinvigorate their respective roles and functions.

They felt the need to further strengthen cooperation and coordination between the Bretton Woods institutions and the United Nations system. They also considered the importance of those institutions to further adapt and adjust their policies and programmes to critical needs of developing countries in close cooperation and coordination, particularly with UNCTAD.

## COMMISSION ON INTERNATIONAL INVESTMENT AND TRANSNATIONAL CORPORATIONS

The Commission on International Investment and Transnational Corporations held its twenty-first session in Geneva from 24 to 28 April 1995, when representatives from both the public and private sectors of 75 countries examined recent trends in foreign direct investment (FDI) and exchanged experience concerning ways to attract FDI. According to recent UNCTAD data, annual FDI outflows in 1994 reached $204 billion, having increased by 6 per cent annually since 1992. Flows to developing countries rose by an annual average of 24 per cent while those to developed countries rose by 8 per cent.

The Commission benefited from an exchange of information on national regimes governing FDI flows. Many countries voiced appreciation for the *World Investment Report*, issued annually by UNCTAD, which is considered one of the most authoritative sources tracking FDI. This was the first session of the Commission in its new role as a subsidiary body of the Trade and Development Board, following a decision by the General Assembly.

The "agreed conclusions" adopted by the Commission made reference to the uneven distribution of FDI flows and to the relatively low levels of both foreign and domestic investment in Africa. The Commission stressed the importance of improving measures to attract FDI to Africa, for example through intensified privatization programmes.

## WORLD ASSOCIATION OF INVESTMENT PROMOTION AGENCIES

More than 70 officials representing Investment Promotion Agencies (IPAs) of 60 countries met within UNCTAD from 25 to 27 April 1995, where they agreed to establish a World Association of IPAs (WAIPA). The main objectives of WAIPA are: to promote and develop understanding and cooperation among IPAs; to strengthen information-gathering systems and information exchange among IPAs; to share country and regional experiences in attracting investment; to assist IPAs seeking to gain access to technical assistance and training through referrals to relevant agencies; to facilitate access to funding and other assistance through referrals to relevant bilateral and multilateral agencies, for the development and implementation of investment promotion programmes.

## TENTH EXECUTIVE SESSION OF THE TRADE AND DEVELOPMENT BOARD CONSIDERS NEW AND EMERGING ISSUES ON THE INTERNATIONAL TRADE AGENDA

At its tenth executive session, held on 4 May 1995, the Trade and Development Board agreed "that appropriate exploratory work be undertaken on such new and emerging issues on the international trade agenda within the preparatory process for UNCTAD IX". The specific contribution of UNCTAD in this respect will consist of the examination of the organic relationship of the new and emerging issues with the twin processes of globalization and liberalization. The issues have been conceptually organized into three broad categories. The first covers those which give rise to demands for domestic policy harmonization, such as

taken up by UNCTAD during the period leading up to UNCTAD IX and identified issues for future deliberation.

## WORKING GROUP ON TRADE, ENVIRONMENT AND DEVELOPMENT

The UNCTAD Ad Hoc Working Group on Trade, Environment and Development at its second session, from 6 to 9 June 1995, examined the effects of environmental policies on market access and competitiveness. Discussions shed light on the impact of environmental policies on competitiveness. The meeting agreed that there was often a quantum difference in the competitiveness effects of environmental policies, including multilateral environmental agreements, on developing versus developed countries. Such differentiation was emphasized in respect of scale, sectors and types of enterprises. The openness of an economy, sustained economic growth and capacity for technical innovation were seen as factors that could help in mitigating the negative competitiveness effects of environmental policies on developing countries.

The Group also discussed ecolabelling. Many developing countries expressed concern about the growing trend to include products of export interest to them in ecolabelling programmes. The rationale for establishing ecolabelling criteria for products which are principally imported by developed countries was questioned by developing countries. The UNCTAD secretariat was requested to outline positive measures which could be used as alternatives to trade-related measures for environmental protection, for consideration at the next meeting of the Group to be held in October 1995.

## COMMITTEE ON POVERTY ALLEVIATION

UNCTAD's Standing Committee on Poverty Alleviation held its third session from 12 to 16 June 1995 to identify national and international measures to alleviate poverty through international trade and official development assistance (ODA). Seeking better ways to ensure that ODA reaches the poor effectively, the Committee agreed that institutional methods and criteria such as targeting, decentralization, appraisal, evaluation and monitoring should be promoted. For example, the targeting of women beneficiaries in the allocation of assistance, including food aid, was deemed vital for reducing poverty in both the short and long term. The quality of ODA, as well as its use by developing countries, should urgently be improved and internationally agreed aid targets met. Examining the effects of the new trading environment on poverty, the Committee concluded that an analysis should be carried out on a disaggregated, country-by-country and sectoral basis. This analysis should include the effects on income distribution and poverty within different sectors of the economy.

As this was the last session before UNCTAD IX, the Committee reviewed the work undertaken since 1992 and proposed that UNCTAD IX consider whether the present form of intergovernmental machinery for addressing poverty alleviation in UNCTAD was the appropriate one or whether some alternative arrangement could be envisaged. Poverty and increased marginalization will feature high on the agenda of UNCTAD IX.

## GLOBAL SYMPOSIUM FOR LAND-LOCKED AND TRANSIT DEVELOPING COUNTRIES

Thirty land-locked developing countries and their neighbouring States participated in a three-day Symposium organized by UNCTAD, in cooperation with the United Nations Development Programme (UNDP) and the United Nations regional economic commissions, in New York from 14 to 16 June 1995. The objectives of the Symposium were to analyse weaknesses in the current operational, administrative, regulatory and institutional framework in place in the transit sector and to propose the future course of action at the national, bilateral, subregional and international levels. The ultimate aim is to ensure effective, long-term, self-sustainable, triangular, cooperative arrangements between land-locked and transit countries and their development partners. The participating countries decided to develop a global framework for transit transport cooperation, with the support of the international community. The proposals deal with policies and sectoral issues relating to rail and road transit traffic, port facilities and services, inland transit waterways, airfreight, communications and external assistance. The donor community has been called upon to increase substantially its financial and technical assistance to land-locked and transit developing countries and to provide such assistance in the form of grants and/or on concessional terms. UNCTAD has been requested to convene transit-corridor-specific consultative groups which will identify priority areas for action at the national and subregional levels, and establish the framework for the implementation of agreed measures.

## STANDING COMMITTEE ON ECONOMIC COOPERATION AMONG DEVELOPING COUNTRIES

The UNCTAD Standing Committee on Economic Cooperation among Developing Countries (ECDC) held its third session from 19 to 23 June 1995. The Committee addressed a comprehensive core of activities that go beyond trade-related issues. The agreed conclusions contain suggestions for strengthening financial and monetary cooperation among developing countries, as well as at the level of investment and business. The Committee stressed that, since some countries have now reached a certain stage of development in various fields, the scope for ECDC had increased, thus strengthening complementarities

between economies in the South. "The new dispute settlement mechanism introduced by the conclusion of the Uruguay Round marks a clear improvement. Developing countries may benefit by using this new mechanism effectively, and should consider cooperating with each other in this respect." One of the suggestions advocated multilateralization of credit arrangements among developing countries. Another concerned possible involvement of development banks in the promotion of trade financing. At the institutional level, the Committee has called for the establishment, in countries where they do not as yet exist, of focal points for coordination of ECDC activities.

### "TRAINFORTRADE" MEETING

UNCTAD organized, from 27 to 30 June 1995, the second interregional TRAINFORTRADE meeting under the auspices of the French Government and at the invitation of the Chamber of Commerce and Industry of Grenoble and the Rhone Alps region. Participants discussed the implementation of a diploma programme for trade practitioners, managers and policy makers of developing countries and countries in transition in four sectors of international trade: international trade diplomacy, commodity trading, tourism services and the use of commercial information. The second topic relates to the possibility of linking member institutions of the TRAINFORTRADE network to information highways that will facilitate the use of new technologies, notably computer-assisted distance learning. (For more information on the TRAINFORTRADE programme, see *UNCTAD Bulletin*, No. 5, September/October 1990, p. 10.)

**FOR A LIST OF FORTHCOMING MEETINGS, SEE PAGE 14.**

## RECENT UNCTAD PUBLICATIONS

### Annotated list

***TRADE AND LABOUR STANDARDS***
Juan A. de Castro
UNCTAD Discussion Paper No. 99, May 1995

Based a discussion of the motivations underlying moral coercion, and the risk of impeding trade on moral grounds, the paper questions the sincerity, on the part of the international community, of those favouring the promotion and improvement of labour standards in developing countries through a mechanism of trade sanctions in what the author calls "inquisitorial times". The thrust of the paper is the moral and developmental dimensions of the issue of labour standards. The paper argues that the implementation of labour standards and the pursuit of economic development are human dignity and human rights issues. They constitute a global concept comparable, in a sense, to that of biological diversity. The paper proposes a new global convention on core labour standards of universal applicability, wherein the sharing of moral concerns of a global nature would be addressed by encouraging an appropriate sharing of the costs and burden involved in the development context. Such a convention would need to be kept politically and institutionally distinct from the work of international trade bodies, which addresses a different agenda.

***TRADE AND ENVIRONMENT***
***The International Debate***
SELA/UNCTAD, 199 (411 pp.)

UNCTAD and the Latin American Economic System (SELA), with assistance from the United Nations Development Programme (UNDP), have released a publication entitled *Trade and Environment: The international debate* (available in English and Spanish). It contains papers presented by economists at a regional seminar on environmental policy and market access, held in Santa Fé de Bogotá, Colombia, in October 1993.

The publication explores the link between trade and environment. One set of papers discusses the role of international cooperation in the area of trade and the environment. A second set analyses the experience of OECD countries, the United States of America and the European Union, as well as the negotiations that led to the approval of the North American Free Trade Agreement. The publication contains an evaluation of the effects on developing countries of ecolabelling

initiatives. It also describes an information system designed to promote transparency and takes up the formulation of trade policies compatible with environmental concerns.

***DO ENVIRONMENTAL IMPERATIVES PRESENT NOVEL PROBLEMS AND OPPORTUNITIES FOR THE INTERNATIONAL TRANSFER OF TECHNOLOGY?***
A. Barnett in collaboration with UNCTAD
United Nations publication
Sales No.E.95.II.D.11, $US 10

In this publication, Andrew Barnett (Senior Fellow, Science Policy Research Unit, Sussex University) reviews the recent history of the transfer of technology to developing countries. Changes in the underlying paradigm of economic development, notably the increasing dominance of neoliberal approaches to economic management, have entailed a shift in the choice of mechanisms by which the process of technology transfer between countries and among enterprises is stimulated. The publication explores the impact of such changes on the transfer and development of environmentally sound technologies in the post-UNCED setting. It also outlines new opportunities and initiatives.

***THREE CASE STUDIES ON THE ROLE OF SOUTH-SOUTH COOPERATION***
United Nations publication,
UNCTAD/ECDC/247, 248 and 249

These case studies highlight the importance of South-South cooperation in terms of the formulation of international economic policy in developing countries. The studies examine the cooperative experience of Malaysia, Venezuela and Zimbabwe, analysing the integration of the South-South dimension into socioeconomic policies, domestic institutional mechanisms for ECDC, monetary and financial cooperation, the nature and volume of South-South investment and the participation of enterprises in ECDC. Comprehensive statistical annexes complement this analytical work.

***FOREIGN DIRECT INVESTMENT IN AFRICA***
United Nations Publication
Sales No.E.95.II.A, US$ 25 (120 pp.)

UNCTAD has issued the first book-length study on Foreign Direct Investment (FDI) in Africa. The study indicates that, since the 1980s, African countries have undertaken policy reforms to improve their FDI climate. Despite these efforts, however, transnational corporations have not significantly increased investment in Africa as a whole, unlike the trend in other developing countries. The result is that Africa finds itself increasingly marginalized in world-wide FDI stocks and flows, as it presents the image of a continent unable to offer meaningful investment prospects - a tendency which needs to be reversed. Transnational corporations are invited to consider African countries as investment locations, while African Governments seek to improve investment conditions in order to realize investment potentials. Further assistance from the outside world is required in order to improve the investment climate, especially in terms of debt relief.

## Other titles

- Report of the Trade and Development Board on the second part of its forty-first session (TD/B/41(2)/15-Vol.I); Report of the Trade and Development Board on its ninth (pre-sessional) executive session (TD/B/EX(9)/2); Report of the Trade and Development Board on its tenth executive session (TD/B/EX(10)/2)
- Market situation and outlook for tin, 1994 (UNCTAD/COM/54); The mineral sector in the Dominican Republic (UNCTAD/COM/61); Economic role of tobacco production and exports in countries depending on tobacco as a major source of income (UNCTAD/COM/63)
- Report of the Expert Group Meeting on Trade Diversification in the Least Developed Countries (TD/B/LDC/GR/3); Contributions by organizations of the United Nations system (TD/B/LDC/GR/Misc.16)
- Ship finance for developing countries (UNCTAD/SDD/SHIP/3); Maritime policy reforms in the New Independent States of the former Soviet Union (UNCTAD/SDD/SHIP/4); Comparative analysis of deregulation, commercialization and privatization of ports (UNCTAD/SDD/PORT/3); Consideration of the possible review of the International Convention for the Unification of Certain Rules Relating to the Arrest of Sea-going Ships, 1952 (TD/B/CN.4/GE.2/5)
- Report of the Intergovernmental Group of Experts on Restrictive Business Practices on its fourteenth session (TD/B/42(1)/3 - TD/B/RBP/106); Review of all aspects of the set of multilaterally agreed equitable principles and rules for the control of restrictive business practices: Strengthening the implementation of the set (TD/B/CONF.4/2)
- Currency convertibility and monetary cooperation within integration groupings of developing countries (UNCTAD/ECDC/250); Report on the Workshop on poverty alleviation through international trade (UNCTAD/ECDC/PA/1); Review of the implementation of the work programme of the Standing Committee on Poverty Alleviation, and proposed future orientation of the work of the Committee (TD/B/CN.2/15)
- Report of the Commission on International Investment and Transnational Corporations on its twenty-first session (TD/B/42(1)/4 - TD/B/ITNC/6)
- Report of the Ad Hoc Working Group on the Role of Enterprises in Development on its first session (TD/B/42(I)/2 - TD/B/WG/7/4); Country presentation submitted by Slovakia (TD/B/WG.7/Misc.19)
- Review of the implementation, maintenance, improvement and utilization of the Generalized System of Preferences, rules of origin and technical assistance - Report of the Second Ad Hoc Expert

initiatives. It also describes an information system designed to promote transparency and takes up the formulation of trade policies compatible with environmental concerns.

***DO ENVIRONMENTAL IMPERATIVES PRESENT NOVEL PROBLEMS AND OPPORTUNITIES FOR THE INTERNATIONAL TRANSFER OF TECHNOLOGY?***
A. Barnett in collaboration with UNCTAD
United Nations publication
Sales No.E.95.II.D.11, $US 10

In this publication, Andrew Barnett (Senior Fellow, Science Policy Research Unit, Sussex University) reviews the recent history of the transfer of technology to developing countries. Changes in the underlying paradigm of economic development, notably the increasing dominance of neoliberal approaches to economic management, have entailed a shift in the choice of mechanisms by which the process of technology transfer between countries and among enterprises is stimulated. The publication explores the impact of such changes on the transfer and development of environmentally sound technologies in the post-UNCED setting. It also outlines new opportunities and initiatives.

***THREE CASE STUDIES ON THE ROLE OF SOUTH-SOUTH COOPERATION***
United Nations publication,
UNCTAD/ECDC/247, 248 and 249

These case studies highlight the importance of South-South cooperation in terms of the formulation of international economic policy in developing countries. The studies examine the cooperative experience of Malaysia, Venezuela and Zimbabwe, analysing the integration of the South-South dimension into socioeconomic policies, domestic institutional mechanisms for ECDC, monetary and financial cooperation, the nature and volume of South-South investment and the participation of enterprises in ECDC. Comprehensive statistical annexes complement this analytical work.

***FOREIGN DIRECT INVESTMENT IN AFRICA***
United Nations Publication
Sales No.E.95.II.A, US$ 25 (120 pp.)

UNCTAD has issued the first book-length study on Foreign Direct Investment (FDI) in Africa. The study indicates that, since the 1980s, African countries have undertaken policy reforms to improve their FDI climate. Despite these efforts, however, transnational corporations have not significantly increased investment in Africa as a whole, unlike the trend in other developing countries. The result is that Africa finds itself increasingly marginalized in world-wide FDI stocks and flows, as it presents the image of a continent unable to offer meaningful investment prospects - a tendency which needs to be reversed. Transnational corporations are invited to consider African countries as investment locations, while African Governments seek to improve investment conditions in order to realize investment potentials. Further assistance from the outside world is required in order to improve the investment climate, especially in terms of debt relief.

## Other titles

- Report of the Trade and Development Board on the second part of its forty-first session (TD/B/41(2)/15/-Vol.I)); Report of the Trade and Development Board on its ninth (pre-sessional) executive session (TD/B/EX(9)/2), Report of the Trade and Development Board on its tenth executive session (TD/B/EX(10)/2)
- Market situation and outlook for tin, 1994 (UNCTAD/COM/54); The mineral sector in the Dominican Republic (UNCTAD/COM/61); Economic role of tobacco production and exports in countries depending on tobacco as a major source of income (UNCTAD/COM/63)
- Report of the Expert Group Meeting on Trade Diversification in the Least Developed Countries (TD/B/LDC/GR/3); Contributions by organizations of the United Nations system (TD/B/LDC/GR/Misc.16)
- Ship finance for developing countries (UNCTAD/SDD/SHIP/3); Maritime policy reforms in the New Independent States of the former Soviet Union (UNCTAD/SDD/SHIP/4); Comparative analysis of deregulation, commercialization and privatization of ports (UNCTAD/SDD/PORT/3); Consideration of the possible review of the International Convention for the Unification of Certain Rules Relating to the Arrest of Sea-going Ships, 1952 (TD/B/CN.4/GE.2/5)
- Report of the Intergovernmental Group of Experts on Restrictive Business Practices on its fourteenth session (TD/B/42(1)/3) - TD/B/RBP/106); Review of all aspects of the set of multilaterally agreed equitable principles and rules for the control of restrictive business practices: Strengthening the implementation of the set (TD/B/CONF.4/2)
- Currency convertibility and monetary cooperation within integration groupings of developing countries (UNCTAD/ECDC/250); Report on the Workshop on poverty alleviation through international trade (UNCTAD/ECDC/PA/1); Review of the implementation of the work programme of the Standing Committee on Poverty Alleviation, and proposed future orientation of the work of the Committee (TD/B/CN.2/15)
- Report of the Commission on International Investment and Transnational Corporations on its twenty-first session (TD/B/42(1)/4 - TD/B/ITNC/6)
- Report of the Ad Hoc Working Group on the Role of Enterprises in Development on its first session (TD/B/42(I)/2 - TD/B/WG/7/4); Country presentation submitted by Slovakia (TD/B/WG.7/Misc.19)
- Review of the implementation, maintenance, improvement and utilization of the Generalized System of Preferences, rules of origin and technical assistance - Report of the Second Ad Hoc Expert

Group on the GSP (TD/B/SCP/15); Harmonization, simplification and improvements of the rules of origin (TD/B/SCP/AC.1/2 and Add.1)
- A statistical overview of selected ecolabelling schemes (TD/B/WG.6/Misc.5)
- Identification of new trading opportunities arising from the implementation of the Uruguay Round Agreements in selected sectors and markets (TD/B/WG.8/2); Analysis of the modalities to give effect to the decision on special provisions for the least developed countries as contained in the Final Act of the Uruguay Round (TD/B/WG/.8/3)

**United Nations sales publications**

- *Do Environmental Imperatives Present Novel Problems and Opportunities for the International Transfer of Technology?*; Sales No. E.95.II.D.11, $US 10
- *Foreign Direct Investment in Africa* (UNCTAD/DTCI/19), Sales No. E.95.II.A.6, $US 25
- *Technological Capacity-Building and Technology Partnership: Field Findings, Country Experiences and Programmes* (UNCTAD/DST/6); Sales No. E.95.II.D.6, $US 22

## HOW DID EAST ASIA GROW SO FAST? ...

*(continued from page 7)*

lopment, they did not have free, flexible internal or external product and capital markets. Although these countries were export-oriented, they eschewed close integration into the international economy in terms of imports, foreign direct investment and capital flows.

The experience of the East Asian countries thus runs totally contrary to a central thesis of mainstream economics, namely that free, flexible, competitive internal and external markets are necessary for achieving fast, long-term, economic growth. *The East Asian Miracle* accepts that the Governments controlled and guided the competitive process in these economies through a highly effective combination of inter-firm cooperation and oligopolistic competition. Moreover, these countries achieved strategic integration into the world economy by integrating only up to a degree, in order to promote long-term economic growth. Despite the perceptible narrowing of differences between the World Bank and heterodox economists, there clearly remain several important unresolved analytical and policy issues. [3]

3. These are outlined in the author's text *Discussion Paper No. 97.*

## FORTHCOMING MEETINGS: SEPTEMBER-NOVEMBER 1995

- **11-20 Sept.:** Trade and Development Board, 42nd session, first part
- **25-29 Sept.:** Standing Committee on Developing Services Sectors: Fostering Competitive Services Sectors in Developing Countries, third session
- **25 Sept. - 6 Oct. (New York):** High-level Intergovernmental Meeting on the Mid-Term Global Review on the Implementation of the Programme of Action for the Least Developed Countries for the 1990s
- **[2-6 Oct.]:** Intergovernmental Meeting of Trade Point Officials and Experts
- **9-13 Oct.:** Ad Hoc Working Group on Trading Opportunities in the New International Trading context, first session.
- **16-18 Oct.:** Seminar on Regional Economic Arrangements and their Relationship with the Multilateral Trading System
- **23-25 Oct.:** Intergovernmental Group of Experts on Iron Ore, fourth session
- **26-27 Oct.:** Ad Hoc Expert Group on State Participation and Privatization in the Minerals Sector
- **30 Oct. - 3 Nov.:** Standing Committee on Commodities, fourth session
- **6-10 Nov.:** Ad Hoc Working Group on Trade, Environment and Development, third session
- **13-17 Nov.:** Standing Committee on Developing Services Sectors: Insurance, third session
- **13-21 Nov.:** Third United Nations Conference to Review All Aspects of the Multilaterally Agreed Equitable Principles and Rules of the Control of Restrictive Business Practices
- **27 Nov. - 1 Dec.:** Ad Hoc Working Group to Explore the Issue of Structural Adjustment for the Transition to Disarmament
- **4-8 Dec.:** Working Party on the Medium-Term Plan and the Programme Budget, 26th session
- **4-8 Dec.:** Ad Hoc Working Group on Trading Opportunities, in the New International Trading Context, second session
- **11-15 Dec.:** Trade and Development Board, special session (to prepare for UNCTAD IX)

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

*The United Nations Conference on Trade and Development (UNCTAD) was set up by the General Assembly in 1964 as one of its permanent organs, mandated to promote international trade, particularly that of developing countries, with a view to accelerating their economic development. UNCTAD has evolved into a universal forum with a development perspective, in which member States review the interdependence of economies and of issues in trade, money and finance. UNCTAD is composed of 188 member States, including the 185 members of the United Nations; many intergovernmental and non-governmental organizations have observer status. The Conference normally meets every four years at ministerial level to establish policy guidelines. Between sessions, work is carried out by the Trade and Development Board and its standing committees, working groups and other subsidiary bodies. As part of the restructuring of the economic and social sectors of the Secretariat of the united Nations, the General Assembly in April 1993 approved the transter to UNCTAD of a number of activities previously carried out by the former Centre on Transnational Corporations and the former Centre for Science and Technology The problems of the least developed countries and of Africa's economic recovery receive special attention in UNCTAD's work. The UNCTAD staff-part of the United Nations Secretariat-numbers about 450 and is headed by a Secretary-General.*

*The "UNCTAD Bulletin" is published six times a year in English and French for public information. It is not an official UNCTAD document. Opinions expressed in signed articles are those of the authors and do not necessarily reflect the views of UNCTAD. The designations employed and the presentation of the material do not imply the expression of any opinion whatsoever on the part of the United Nations secretariat concerning the legal status of any country, territory city or area, or of its authorities, or concerning the delimitation of its frontiers or boundaries. Material may be freely quoted or reprinted, but acknowledgement is requested. Copies may be obtained free of charge from the Editor, S.M. Shafaeddin, Policy Coordination and External Relations Service, UNCTAD, Palais des Nations, 1211 Geneva 10, Switzerland. Tel.: (4122) 907 1234, ext. 74620/75820; Telex 41 29 62; Fax 907 00 43, e-mail: Mehdi.Shafaeddin@unctad.org*

ISSN 0259-3181